

## NANO TOOLS FOR LEADERS®

### THE GOOD APOLOGY

**Nano Tools for Leaders®** are fast, effective leadership tools that you can learn and start using in less than 15 minutes — with the potential to significantly impact your success as a leader and the engagement and productivity of the people you lead.

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#### THE GOAL:

Improve your apologies to move more quickly past mistakes and rebuild relationships.

#### NANO TOOL:

Any violation of a customer's or colleague's trust places your relationship at risk. In the unstable aftermath, former friends can easily become foes. But quick, effective repair efforts can tip the balance back to a positive relationship, and even improve your image. Often it is the recovery effort, rather than the violation, that matters most. The simple words "I'm sorry" are surprisingly powerful. But how we say them and what we do as we say them can make a world of difference.

#### HOW LEADERS USE IT:

- Just months after Toyota launched the luxury brand Lexus, its first model had to be recalled for repairs. But instead of taking a hit to its reputation, the company turned the situation into a marketing coup. Every owner received a phone call to schedule the repair; if a dealership wasn't nearby, the company flew mechanics to the customer. After making each repair, Lexus detailed the car and gave it a full tank of gas. Within three weeks, the company emerged from the crisis with an enhanced brand — they were no longer just about quality, but were now known for their customer service.
- When one of Southwest Airline's planes skidded past its runway and into a road, killing a six-year-old boy, chief executive officer Gary Kelly went immediately into action. He first offered condolences, then flew with his top executives to Chicago, where the accident occurred. He expressed sympathy for everyone who was injured and pledged to help them. He also pledged to implement any recommended action from the subsequent investigation. The impact on the airline was undetectable; demand for its flights rose by almost eight percent the following year and it was more profitable than ever.
- See the Additional Resources below for more examples and research findings.



## ACTION STEPS:

The key ingredients of a successful apology:

- 1. Speed:** When you make a mistake, time is of the essence. One of the most important aspects of Kelly's apology on behalf of Southwest Airlines — and what set it apart from every prior apology from a major airline — was how quickly he delivered it. In this case, speed signaled concern.
- 2. Candor:** An effective apology is transparent; in other words, the perpetrator must be open and candid in disclosing what went wrong.
- 3. Vulnerability:** A critical ingredient in rebuilding trust, vulnerability sends a powerful signal that the apologizer trusts the recipient of the apology and leaves him or herself open to the consequences of the original error.
- 4. Focus on the victim:** Most apologies are self-focused and therefore much less effective. Recall BP CEO Tony Howard who apologized a month after the Deepwater Horizon oil rig explosion, "There's no one who wants this over more than I do. I want my life back." While the importance of being focused on the person to whom you're apologizing seems obvious, in the moment it is often surprisingly difficult.
- 5. Promise to change:** Research shows that a promise to change, more than a simple apology, has the most impact on rebuilding trust. Apologies that articulate a plan of action, such as Kelly's promise to implement any recommended action from the subsequent investigation of Southwest, distance the apologizer from his or her violation. One person is the transgressor, and the other is someone who deserves a second chance.
- 6. Penance:** Although apologies and promises to change are surprisingly powerful, offers of penance — making amends to the victim — also make a profound difference. To communicate remorse appropriately, those amends must be costly in terms of time, money, or some other resource.

## ADDITIONAL RESOURCES:

- *Friend & Foe: When to Cooperate, When to Compete, and How to Succeed at Both*, Adam Galinsky and Maurice Schweitzer (Crown Business, 2015). Argues that finding the right balance between cooperation and competition yields better outcomes at work and in life.
- "Promises and Lies Restoring Violated Trust," Maurice Schweitzer et al., *Organizational Behavior and Human Decision Processes*, 101 (2006). Finds that trust harmed by untrustworthy behavior can be effectively restored when individuals observe a consistent series of trustworthy actions, but trust harmed by the same untrustworthy actions and deception never fully recovers.
- "The Organizational Apology," Schweitzer, M. E., Brooks, A. W., & Galinsky, *Harvard Business Review*, Sept. 2015. Explains how typical organizational responses to missteps, like delays and a focus on legal issues, influence apologies.
- Maurice Schweitzer is academic director of Wharton Executive Education's [The Strategic Decision-Making Mindset](#) and teaches in the [Physician Leadership Academy](#).

## ABOUT NANO TOOLS:

*Nano Tools for Leaders*® was conceived and developed by Deb Giffen, MCC, director of Custom Programs at Wharton Executive Education. Nano Tools for Leaders® is a collaboration between joint sponsors Wharton Executive Education and Wharton's Center for Leadership and Change Management. This collaboration is led by Professors Michael Useem and John Paul MacDuffie.